

ANNEX to
CCCOM Doc. 3413.05/8

REPORT BY THE CHAIRMAN OF THE TECHNICAL WORKING GROUP
ON ROLLING MILLS - ITEM 1305

The technical experts compared and examined the definition submitted by the United Kingdom and United States Delegations in Docs. CCCOM 3413.05/6 and 3413.05/7 with the aim of narrowing the area of disagreement by clarifying the intent and the wording of the different sub-items in order to avoid unwarranted coverage of technical developments which are not primarily based on the necessities of military requirements.

The discussions, which will be continued at a later date, have now the following results (based on the definition in Doc. 3413.05/7):

- Sub-item A 1 No technical discussion was necessary, the differences of view arising from questions of principle which could be discussed in the Coordinating Committee.
- Sub-item A 2 The proposed definition was accepted for recommendation.
- Sub-item A 3 The experts agree on the following points:
- (a) a date cut-off for the safeguard of "know-how" seems appropriate for the whole sub-item ;
 - (b) the date cut-off should be established on a fixed date, preferably January 1st;
 - (c) the year of the date cut-off should change automatically every year, it being understood that any Delegation has the right to propose that particular technical developments be embargoed for a longer period;
 - (d) the date cut-off should not be part of the definition, but should be applied by means of "administrative exceptions".

As to the different sub-items, the position is as follows:

- Sub-items (i) and (ii) There seemed to be a possibility of agreement if the meaning of the terms "of a kind and/or quality" could be clarified and made more specific;
- Sub-item (iii) All experts agreed to recommend this sub-item for acceptance;
- Sub-item (iv) Experts are still trying to narrow down the coverage of this sub-item, which appears too wide to certain delegations;
- Sub-item (v) All experts agreed to recommend this sub-item for acceptance with the following wording:
- Hot mills incorporating control tensiometers (devices which both measure and automatically maintain appropriate adjustment of the tension applied to the metal when rolled);
- Sub-item (vi) The same remarks as for sub-items (i) and (ii) apply;
- Sub-item (vii) No agreement could be reached, some delegations being of the opinion that this is a purely commercial development and that the rolling mills which are intended to be covered by this sub-item would already be covered by one of the other sub-items. This problem is being given further technical investigation.
- Sub-item B The proposed definition was accepted for recommendation.
- Sub-item C No discussion took place, no technical problem is foreseen on this part.

Experts will reconsider the matter in the light of the discussions and will reconvene on October 22nd in order to continue their work.